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REVISED

June ~~16~~ 30, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

REQUEST FOR APPROVAL AND AWARD OF CONSTRUCTION PROJECT MANAGEMENT AND SUPPORT SERVICES CONTRACT (ALL DISTRICTS – 3 VOTES)

SUBJECT

Request approval to award and execute a contract with Vanir Construction Management, Inc. (Vanir) to provide construction project management and support services for various projects.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Mayor to sign the attached contract with Vanir Construction Management, Inc. (Attachment I) to provide construction project management and support services for various projects to Internal Services Department (ISD), for a not-to-exceed amount of \$3.8 million per year, effective July 1, 2015, for an initial term of three (3) years, with two (2) one-year extension options, and six (6) month-to-month extensions for a maximum total contract term of five (5) years and six (6) months, for an annual not-to-exceed fee of \$3.8 million and an aggregate not-to-exceed amount of \$20.9 million.
2. Authorize the Director of ISD, or designee, to (i) exercise the extension options in accordance with the contract terms, (ii) make necessary changes which affect the scope of work, term, contract Sum, payments, or any term or condition included under this contract; (iii) increase the maximum annual sum by up to ten percent (10%) of the not-to-exceed annual contract amount of \$3.8 million, and (iv) execute amendments should the original contracting entities merge, be acquired, or otherwise have a change of entity.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

ISD continues to provide construction project management and support services related to the County's maintenance, repair and refurbishment projects managed by ISD's Facilities Operations Services (FOS), and energy efficiency and LEED certification projects managed by the County Office of Sustainability (COS). ISD supplements in-house resources with contract project managers to perform these services.

The recommended contract is necessary to meet the immediate and continued project management requirements associated with the increase in County's maintenance, repair and refurbishment projects and COS energy efficiency and LEED certification projects. The current estimated costs under this contract are \$3.8 million annually. Based on service needs, ISD may require an increase in the proposed contract amount. If this occurs, ISD will request your Board's approval to increase the annual not-to-exceed contract amount by up to \$2.2 million. This option was included in the solicitation.

Approval of the recommended actions will provide ISD with resources to supplement project management services for subsequent fiscal years.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended contract supports the County's Strategic Plan Goals No. 1, Operational Effectiveness by providing timely facilities services, effectively managing County resources and investing in public infrastructure.

FISCAL IMPACT/FINANCING

Funding will be provided by billings to County departments that are requesting ISD project management services and from various grants for energy efficiency projects. Adequate appropriation is available in both the ISD Operating Budget and the Utilities Budget for FY 2015-16.

The approval of the recommended contract does not guarantee the contractor any minimum amount of business. ISD will only incur project management expenditures to the extent that they are offset through County department billings and within available appropriations. Funding in subsequent fiscal years will be requested on an annual basis. The annual contract value will not exceed \$6 million.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contract has been approved as to form by County Counsel. The contract contains the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs, as well as qualified GAIN/GROW participants for employment openings, compliance with the Jury Service Ordinance, Safely Surrendered Baby Law and the Child Support program.

ISD has determined that the proposed contract is not subject to the County's Living Wage Program. County Code 2.121 does not apply to construction project management services as the contracted work is temporary and intermittent, and highly technical in nature.

The contract rates are fixed for the initial term of the contract. The contract allows for a Cost of Living Adjustment (COLA) increase during the option years, if the option years are exercised by the County and consistent with the Board approved methodology.

The contract is subject to the Mini-Brooks Act which requires, in part, that local public entities negotiate a contract at a fair and reasonable fee after selection of the best qualified contractor.

The Contractor will not be asked to perform services exceeding the approved contract, scope of work, or contract period performance.

ENVIRONMENTAL DOCUMENTATION

The proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. The proposed action is an administrative activity of the government which will not result in a direct or indirect change to the environment.

CONTRACTING PROCESS

On February 5, 2015, ISD released a Request for Proposals (RFP) for Construction Project Management and Support Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" website (Attachment II).

Seventeen (17) vendors attended the Mandatory Proposer's Conference held on February 23, 2015 (Attachment III). Four (4) proposals were received by the March 5, 2015 deadline and were reviewed for compliance with the minimum requirements set forth in the RFP. The proposals were determined to be in compliance with the minimum requirements and an evaluation committee evaluated the responses in accordance with the evaluation criteria in the RFP.

A summary of Community Business Enterprise Program information for the recommended vendor is attached (Attachment IV).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

No staff impact will result from the award of the recommended contract, as the requested contract is intended to augment, and not replace County workforce.

The Honorable Board of Supervisors

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Page 4

CONCLUSION

Approval of the recommended contract will allow ISD to continue providing timely construction project management and support services to client County departments.

Respectfully submitted,



JIM JONES

Director

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Enclosures

c: Executive Office, Board of Supervisors
Chief Executive Officer
County Counsel